COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE)	
CRITTENDEN-LIVINGSTON COUNTY)	
WATER DISTRICT FOR APPROVAL OF)	CASE NO.
A PROPOSED INCREASE IN RATES)	2005-00355
FOR WATER SERVICE, TO INCREASE)	
NON-RECURRING CHARGES AND TO)	
REVISE ITS TARIFF)	

ORDER

On September 29, 2005, Crittenden-Livingston County Water District ("Crittenden-Livingston") filed its application for Commission approval of its proposed water rates. Crittenden-Livingston proposed to increase its rates to produce additional revenues of \$517,792, an increase of 35 percent over normalized revenues of \$1,521,722. This proposal would increase the average monthly bill for 5,000 gallons of usage from \$40.94 to \$50.40, an increase of 23 percent. In its application Crittenden-Livingston stated that based upon its proposed revenues and expenses, rates generating increased revenues of \$793,841 were appropriate, but requested a rate that produces a lower level of revenue.

By Order dated December 20, 2005, the Commission issued a Staff Report containing Commission Staff's findings and recommendations regarding the proposed rate adjustment. In its report, Commission Staff recommended that the requested increase of \$517,792 be granted, as it allows Crittenden-Livingston sufficient funds to pay its debts and to produce a positive cash flow. In its Order of December 20, 2005, the Commission directed Crittenden-Livingston to file within 10 days any written

comments regarding the Staff Report or any requests for a hearing or informal conference. It further provided that if no request for a hearing or informal conference was received within that time period, this case would stand submitted for decision. The Commission has not received any comments or requests.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

- 1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and should be adopted as the findings of the Commission.
- 2. The rates in Appendix A will produce annual revenue from water sales of \$1,982,724.

IT IS THEREFORE ORDERED that:

- 1. The findings contained in the Staff Report are adopted and incorporated by reference into this Order as if fully set out herein.
- 2. The rates in Appendix A are approved for service rendered by Crittenden-Livingston on and after the date of this Order.
- 3. Within 30 days of the date of this Order, Crittenden-Livingston shall file with the Commission its revised tariff setting out the rates approved herein.
- 4. Three years from the effective date of this Order, Crittenden-Livingston shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rates approved herein are sufficient to meet its operating expenses and annual debt service requirements.

Done at Frankfort, Kentucky, this 1st day of February, 2006.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00355 DATED FEBRUARY 1, 2006

The following rates and charges are prescribed for the customers in the area served by Crittenden-Livingston County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

<u>5/8" x</u>	3/4" Met	<u>er</u>		
First Next Next Over	1,000 9,000 10,000 20,000	Gallons Gallons Gallons Gallons	\$16.00 9.10 7.80 6.15	Minimum Bill per 1,000 Gallons per 1,000 Gallons per 1,000 Gallons
<u>1" Me</u>	ter			
First Next Next Over	5,000 5,000 10,000 20,000	Gallons Gallons Gallons Gallons	\$52.40 9.10 7.80 6.15	Minimum Bill per 1,000 Gallons per 1,000 Gallons per 1,000 Gallons
2" Me	<u>ter</u>			
First Next Over	15,000 5,000 20,000	Gallons Gallons Gallons	\$136.90 7.80 6.15	Minimum Bill per 1,000 Gallons per 1,000 Gallons
Bulk S	Sales		6.15	per 1,000 Gallons

NONRECURRING CHARGES

5/8 x 3/4 Inch Meter All Larger Meters	Actual Cost
Connection/Turn-on Charge	25.00
Connection/Turn-on Charge (After Hours)	35.00
Field Collection Charge	25.00
Late Payment Penalty	10%
Meter Relocation Charge	Actual Cost

Damage to Meter Setting or Lid	Actual Cost
(Field Visit plus equipment replaced)	
Meter Re-read Charge	25.00
Meter Re-read Charge (After Hours)	35.00
Meter Test Charge	45.00
Reconnection Charge	45.00
Reconnection Charge (After Hours)	55.00
Returned Check Charge	25.00
Service Call/Investigation	25.00
Service Call/Investigation (After Hours)	35.00